

## **IC 20-26-4**

### **Chapter 4. Organization and Operation of Governing Body**

#### **IC 20-26-4-1**

##### **Organization; treasurer; duties; electronic funds transfer; executive secretary**

Sec. 1. (a) As used in this section, "electronic funds transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape to order, instruct, or authorize a financial institution to debit or credit an account.

(b) The governing body of each school corporation shall organize by electing:

- (1) a president;
- (2) a vice president; and
- (3) a secretary;

each of whom is a different member, not more than fifteen (15) days after the commencement date of the members' terms of office, as provided in section 4 of this chapter.

(c) A governing body shall, at the time that officers are elected under subsection (b), appoint a treasurer of the governing body and of the school corporation who is a person, other than the superintendent of schools, who is not a member of the governing body. The treasurer may, with the approval of the governing body, appoint a deputy who must be a person, other than the superintendent of schools, who is not a member of the governing body and who has the same powers and duties as the treasurer, or lesser duties as provided by the governing body by rule.

(d) The treasurer is the official custodian of all funds of the school corporation and is responsible for the proper safeguarding and accounting for the funds. The treasurer shall:

- (1) issue a receipt for money received by the treasurer;
- (2) deposit money described in subdivision (1) in accordance with the laws governing the deposit of public funds; and
- (3) issue all warrants in payment of expenses lawfully incurred on behalf of the school corporation. However, except as otherwise provided by law, warrants described in this subdivision must be issued only after proper allowance or approval by the governing body. The governing body may not require an allowance or approval for amounts lawfully due in payment of indebtedness or payments due the state, the United States government, or agencies and instrumentalities of the state or the United States government.

A verification, other than a properly itemized invoice, may not be required for any claim of one hundred dollars (\$100) or less. A claim that exceeds one hundred dollars (\$100) is sufficient as to form if the bill or statement for the claim has printed or stamped on the face of the bill or statement a verification of the bill or statement in language approved by the state board of accounts.

(e) Notwithstanding subsection (d), a treasurer may transact school corporation financial business with a financial institution or a public retirement fund through the use of electronic funds transfer. The treasurer must provide adequate documentation to the governing body of transfers made under this subsection. This subsection applies only to agreements for joint investment of money under IC 5-13-9 and to payments to the Indiana public retirement system for:

(1) the Indiana state teachers' retirement fund; or

(2) the public employees' retirement fund;

from participating employers.

(f) A treasurer is not personally liable for an act or omission occurring in connection with the performance of the duties set forth in this section, unless the act or omission constitutes gross negligence or an intentional disregard of the treasurer's duties.

(g) A governing body may establish the position of executive secretary to the governing body. The executive secretary:

(1) must be an employee of the school corporation;

(2) may not be a member of the governing body; and

(3) must be appointed by the governing body upon the recommendation of the superintendent of the school corporation.

The governing body shall determine the duties of the executive secretary, which may include all or part of the duties of the secretary of the board.

*As added by P.L.1-2005, SEC.10. Amended by P.L.35-2012, SEC.102.*

## **IC 20-26-4-2**

### **Oath of members**

Sec. 2. A person elected or selected to be a member of a governing body shall take the following oath before taking office:

"I solemnly swear (or affirm) that I will support the Constitution of the United States of America, the Constitution of the State of Indiana, and the laws of the United States and the State of Indiana. I will faithfully execute the duties of my office as a member of this governing body, so help me God."

However, the governing body may provide for additional provisions to the oath that the governing body considers appropriate for the office.

*As added by P.L.1-2005, SEC.10.*

## **IC 20-26-4-3**

### **Regular, statutory, and special meetings**

Sec. 3. (a) Regular meetings must be held by each governing body at a time and place established by resolution of the board or may be incorporated in the rules provided in IC 20-26-5-4. A notice need not be given a member for holding or taking any action at a regular meeting.

(b) If a meeting is held according to a procedure set forth by statute or rule and if publication of notice of the meeting is required,

notice of the meeting is not required and need not be given a member for holding or taking any action at the meeting contemplated by the notice. The meeting must be held at the time and place specified in the published notice.

(c) Special meetings of a governing body must be held on call by the governing body's president or by the superintendent of the school corporation. The call must be evidenced by a written notice specifying the date, time, and place of the meeting, delivered to each member personally or sent by mail or telegram so that each member has at least seventy-two (72) hours notice of the special meeting. Special meetings must be held at the regular meeting place of the board.

(d) All meetings of a governing body must be open to the public to the extent required by IC 5-14-1.5. The governing body shall comply with IC 5-14-1.5.

(e) If notice of a meeting is required and each member of a governing body has waived notice of the meeting, as provided in this subsection, notice of the meeting is not necessary. Waiver of notice of a meeting by a member consists of the following:

- (1) The member's presence at the meeting.
- (2) The member's execution of a written notice waiving the date, time, and place of the meeting, executed either before or after the meeting. However, if notice is executed after the meeting, the waiver must also state in general terms the purpose of the meeting. If a waiver specifies that the waiver was executed before the meeting, third persons are entitled to rely on the statement.

(f) At a meeting of the governing body, a majority of the members constitutes a quorum. Action may not be taken unless a quorum is present. Except where a larger vote is required by statute or rule with respect to any matter, a majority of the members present may adopt a resolution or take any action.

(g) All meetings of the governing body for the conduct of business must be held within the school corporation, except as follows:

- (1) Meetings may be held at the administrative offices of the school corporation if the offices are outside the geographic limits of the school corporation but are within a county where all or a part of the school corporation is located.
- (2) Meetings may be held at a place where the statute or rule according to which a statutory meeting is held permits meeting outside the school corporation, as may occur when the meeting is held jointly with another governing body.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-4-4**

##### **Term of office; vacancies**

Sec. 4. (a) This section does not apply to a school city of the first class or to a school corporation succeeding to all or the major part in area of a school city of the first class.

(b) The commencement and termination of terms of members of

a governing body are as follows:

(1) Except as provided in subdivisions (2) and (3), the governing body of each school corporation shall determine whether the term of office for the governing body's members extends from January 1 to December 31 or from July 1 to June 30. A governing body that makes a change in the commencement date of the governing body's members' terms shall report the change to the state board before August 1 preceding the year in which the change takes place. An ex officio member of a governing body shall take office at the time the ex officio member takes the oath of the office by virtue of which the ex officio member is entitled to become an ex officio member.

(2) Except as provided in subdivision (3), in a county having a population of more than four hundred thousand (400,000), the terms of office for the members of a governing body who are appointed commence on July 1 of the year in which the members are to take office under the plan, resolution, or law under which the school corporation is established, and terminate on the June 30 of the final year of the term for which the members are to serve under the plan, resolution, or law.

(3) An elected member of a governing body takes office on the date set in the school corporation's organization plan. The date set in the organization plan for an elected member of the governing body to take office may not be more than fourteen (14) months after the date of the member's election. If the school corporation's organization plan does not set a date for an elected member of the governing body to take office, the member takes office January 1 immediately after the member's election.

(c) If a vacancy in the membership of a governing body occurs for any reason (including the failure of a sufficient number of petitions for candidates for governing body membership being filed for an election and whether the vacancy was of an elected or appointed member), the remaining members of the governing body shall by majority vote fill the vacancy by appointing a person from within the boundaries of the school corporation, with the residence and other qualifications provided for a regularly elected or appointed board member filling the membership, to serve for the term or the balance of the term. However, this subsection does not apply to a vacancy:

(1) of a member who serves on a governing body in an ex officio capacity; or

(2) a vacancy in an appointed board membership if a plan, resolution, or law under which the school corporation operates specifically provides for filling vacancies by the appointing authority.

*As added by P.L.1-2005, SEC.10. Amended by P.L.96-2012, SEC.7; P.L.219-2013, SEC.91.*

### **School board vacancy because of member's death**

Sec. 4.5. (a) This section applies to a school corporation subject to section 4 of this chapter.

(b) The definitions in IC 3-5-2 apply to this section.

(c) If a vacancy in a school board office exists because of the death of a school board member, the remaining members of the governing body shall meet and select an individual to fill the vacancy after the secretary of the governing body receives notice of the death under IC 5-8-6 and in accordance with section 4 of this chapter.

*As added by P.L.119-2005, SEC.33.*

### **IC 20-26-4-5**

#### **Treasurer's bond**

Sec. 5. For each school year commencing July 1, the treasurer of each governing body and the governing body's school corporation and a deputy treasurer, if so appointed, shall give a bond for the faithful performance of the treasurer's and deputy treasurer's duties written by an insurance company licensed to do business in Indiana, in an amount determined by the governing body. The treasurer shall be responsible under the treasurer's bond for the acts of a deputy treasurer appointed as provided in section 1 of this chapter.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-4-6**

#### **Bids for purchase of supplies or equipment**

Sec. 6. (a) The governing body of any school corporation may designate a committee of at least two (2) of the governing body's members, or a committee of not less than two (2) employees of the school corporation, to open and tabulate bids:

- (1) in connection with the purchase of supplies, material, or equipment;
- (2) for the construction or alteration of a building or facility; or
- (3) for any similar purpose.

(b) Bids described in subsection (a):

- (1) may be opened by the committee at the time and place fixed by the advertisement for bids;
- (2) must be read aloud and tabulated publicly, to the extent required by law for governing bodies; and
- (3) must be available for inspection.

(c) The bids described in subsection (a) must be reported to and the tabulation entered upon the records of the governing body at the governing body's next meeting following the bid opening.

(d) A bid described in subsection (a) may not be accepted or rejected by the committee, but the bid must be accepted or rejected solely by the governing body in a board meeting open to the public as provided in section 3 of this chapter.

*As added by P.L.1-2005, SEC.10.*

### **IC 20-26-4-7**

#### **Compensation of governing body members**

Sec. 7. (a) Except as provided in IC 20-25-3-3, the governing body of a school corporation by resolution has the power to pay each member of the governing body a reasonable amount for service as a member, not to exceed:

(1) two thousand dollars (\$2,000) per year; and

(2) a per diem not to exceed the rate approved for members of the board of school commissioners under IC 20-25-3-3(d).

(b) If the members of the governing body are totally comprised of appointed members, the appointive authority under IC 20-23-4-28(e) shall approve the per diem rate allowable under subsection (a)(2) before the governing body may make the payments.

(c) To make a valid approval under subsection (b), the appointive authority must approve the per diem rate with the same endorsement required under IC 20-23-4-28(f) to make the appointment of the member.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-4-8**

##### **Approval of contracts**

Sec. 8. Notwithstanding any other law, the president and secretary of the governing body of a school corporation are entitled, on behalf of the school corporation, to sign any contract, including employment contracts and contracts for goods and services. However, each contract must be approved by a majority of all members of the governing body. In the absence of either the president or secretary of the governing body, the vice president is entitled to sign the contracts with the officer who is present.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-4-9**

##### **Disqualification on basis of age prohibited**

Sec. 9. An individual who is at least twenty-one (21) years of age and is otherwise eligible to assume office as a member of a governing body may not be disqualified on the basis of age.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-4-10**

##### **Property ownership not qualification**

Sec. 10. Property ownership is not a qualification for serving as a member of a governing body.

*As added by P.L.1-2005, SEC.10.*

#### **IC 20-26-4-11**

##### **Ineligibility of teachers and noncertificated employees**

Sec. 11. In addition to any other eligibility requirements for members of the governing body of a school corporation as set forth in law, an individual who is employed as a teacher or as a noncertificated employee (as defined in IC 20-29-2-11) of the school corporation may not be a member of the governing body of the school corporation.

*As added by P.L.1-2005, SEC.10.*